FSC-31-B	2/13/98
SUBJECT: Reissue of 1099 MISC to Retailers	

DISTRIBUTION:

X	AVP	X	KAM	X	DM
X	RSM	X	AM	X	RM
X	RBM	X	AE		Sales Rep
X	ROM				Retail Rep

(Please distribute to all Sales Representatives.)

Objective: Explain procedure retailers must follow to have R. J. Reynolds Tobacco Company reissue 1099 MISC due to reporting of discounting as Retail Accrual RJR Match.

Purpose: Inform Sales Representatives of communication sent to Independent Retailers regarding re-issue of 1099 MISC.

The attached Customer letter was mailed to all independent retailers who received a 1099 MISC *and* who had drafts or vouchers written for RJR Match in 1997. Please note that corporations are exempt from 1099 reporting.

This letter is in response to inquiries from retailers on why the amount on their 1099 MISC reportable income increased in 1997 versus 1996. This increase is due to the inclusion of "1997 RJR Match" spending in the 1099 MISC. Any 1997 payments that were recorded under the RJR Match reporting code were considered to be 1099 reportable and were included on the 1099 MISC. This includes any "discounting" programs that were paid under the RJR Match reporting code since the system has no way to determine which RJR Match payments were for discounting vs. non-discounting programs.

If retailers need a new 1099 MISC that excludes discounting dollars paid under RJR Match, they must submit documentation to support the portion paid as discounting to Winston-Salem by March 2, 1998. A new 1099 MISC will be issued with the reportable income amount reduced by the amount of discounting reported as RJR Match.

Please read the attached letter and be aware of the Winston-Salem telephone number (336/741-5590) that retailers should call if they have questions concerning this issue.

FOR 1998:

It is very important that in 1998 *all* Discounting programs be paid out of Base Retail Accrual dollars to prevent this from happening again. RJR Match dollars should be rolled over to "Base" if they will be used to fund *any* discounting programs. Only non-discounting programs should be paid under the RJR Match code since only non-discounting related items are 1099 MISC reportable. RJR Match dollars will be included on the 1099 MISC sent to retailers for 1998 business just like they were in 1997.

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R. J. REYNOLDS TOBACCO COMPANY

Attachment

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Source: https://www.industrydocuments.ucsf.edu/docs/mgwn0000